

H I G H L I G H T S  
WEEK ENDING: AUGUST 2, 1991

WEEKLY INDUSTRY VOLUME

- o This week's volume of 8.3 billion units was below the industry's estimated going rate by 1.5 billion units, 1.3% lower than projected. For the sixth consecutive week, sales were influenced by payback from second quarter price increase programs.

PM WEEKLY VOLUME & SHARE

- o This week's volume of 3.1 billion units was -29% below PM's seasonally adjusted going rate and 9% higher than projected. Sales continue to be influenced by the depletion of excess inventory from the second quarter trade program.
- o Collectively, the wholesale trade exhausted approximately 1.3 billion excess units this week, with an estimated 3.4 billion excess units remaining.
- o Among the top 100 accounts, 44 purchase significantly below normal this week, buying less than 80% of their estimated going rate, 23 accounts fewer than last week.
- o PM's share for the week of 38.0 was -2.5 points below the corresponding week in 1990. On a year-to-date basis through this week, PM holds 42.9% of total industry volume, representing a +1.8 point gain versus year-ago.

DEVELOPMENTS

Philip Morris

- o InfoScan supermarket data through the W/E 7/14 reports total Marlboro's share at 19.7%, a -0.5 point decline versus week ago. Marlboro Medium's share for this period of 0.66 increased +0.16 points versus last week and distribution increased from 43% to 52%.
- o The Lowest and Non-Filter offensive programs continued with two Media-delivered promotions. First, a Cambridge Lowest FSI (B1G1F) ran July 28 in 61 key Carlton and Now markets with a circulation of 39MM. Second, the initial Commander ROP (B1G1F) was dropped 7/29 in the top seven Pall Mall markets with a circulation of 6.2MM.
- o On July 21, Marlboro dropped an FSI nationally which focused on Medium, offering a B1G1F coupon for packs of Medium and also a separate coupon offering \$3.00 off on any carton of Marlboro.

Competitive

- o For the fifth consecutive week, RJR's shipments were below projected levels, with this week's volume of 2.5 billion units, 8.8% below expected. This provides further evidence of a weakening of Reynolds going rate.

2060069089